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WORK EFFICIENCY, COMMUNICATION AND LEARNING IN ORGANIZATIONS: FIGHTING TIGHT CORNERS

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ABSTRACT

In this research, we attempt to understand the effect of communication practice on organizational performance. A simple model is designed which includes several variables of performance. The goal is to analyze how communication is related to work efficiency and why it is important for managers to communicate with their subordinates. Our research points to that direction which analyzes the effect of communication practices on organizational performance.

Keywords: *Communication, work efficiency, learning, performance.*

1. INTRODUCTION

There goes the common saying, "you can't win without a fight"—and so, to win, one must be competent enough to fight—and then be skilled enough to win. Beyond skill (ability) and competency (aptitude), it requires tenacity, hard work and discipline and above all, some guts and wits to handle a tough competitor, or a tough situation. This analogy though may not readily apply to businesses *in* competition, this do—

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however, seems much pertinent to the survival of entrepreneurs in free market competitions—wherein, firms behave as competitors to other firms. Whatever may be the scenario, two things are indispensable among others for the survival of modern day business organizations: *Effective communication*, and *learning*. The practice of learning and self-education among employees (**Hiemstra, R. 1994**) has been regarded as one of the highly effective means of self-improvement that makes employees productively efficient, and therefore, enhances workforce performance (**Gerber, 1998**).

Learning demands effective modes of communication where the chief part of the audience is the learners who need to be attentive; and instructions need to be delivered that is dependent on the communication channels free of any constraint wherein information ought to be shared and exchanged between the learners and the instructors. The purpose of instruction is to impart knowledge and develop capability among the learners who in this context are employees required to be trained and updated periodically. If learning forms an integral aspect of organizational operations, then knowledge is considered as one of the inputs to production. Knowledge is thus, a capital resource, nevertheless. Since learning imparts knowledge, it must be communicated for its practical utility. Learning also enables one to know and gain information about how to handle different situations as much as to comprehend the technicalities and tactics of the trade. One may ask, 'should managers share their knowledge and experience with their subordinate employees?' Certainly they should. Things cannot be shared without being communicated. Therefore, communication forms one of the key edifices of modern day business organizations. Many important things do not get

conveyed for lack of communication between the workforce and the management. Therefore, it is important for managers to communicate with their subordinates. This needs to be investigated further.

Today, business organizations thrive on competency and performance; they depend on their workforces' capabilities to perform. They compete to outperform other firms. The old dictum seems to hold good even today: the *goal* of doing a business--is to make *profit*. Entrepreneurs employ manpower and resources in economical ways to survive and compete with the already established market competitors who hold substantial market share in their respective domains. Unless entrepreneurs are wise, highly innovative and well disciplined, they wouldn't be able to survive the competition. Indeed, among other factors essential for survival of business firms--however, communication enables one to exchange ideas and share procedural tactics in managing organizational operations. It enables exchange of vital information about market competition, competitors, consumers and processes, methods and procedures. Firms compete for *right resources* for production of goods and services as far as they strive hard enough to engage *right persons* to manage people and processes (**Noe et al 2017**) in most economical ways. The *right persons* are supervisors or *managers* who oversee organizational operations. By engaging right persons as *talents*, firms tend to maintain sustainable competitive advantages over other firms.

In this research, we have an intention of examining the role of good communication practices in driving organizational performance, why it is so important in this context, what happens where it lacks, and how inter-organizational communication process breaks down-- the result of which would most likely affect employee output and performance. Moreover, this paper

attempts to address how efficient communication process helps organizations to fight *tight corners*. By 'tight corners'--it is meant pressing, tough competitive situations. Our investigation points to that direction of understanding *how* firms utilize the power of communication to become competent performers. As theory provokes question, any question involving "how" generally indicates the matter of *process* or *methods*, and so it shall be quite engaging in attempting such an approach herein.

2. THE VALUE OF COMMUNICATION

Managers are expected to anticipate uncertainty, guide innovation (**Davila, Epstein, & Shelton, 2006**), identify problems and overcome various constraints to business operations. And the knowledge thus gained from such management experiences must be shared among the subordinate employees so that they can learn to assume responsibilities more efficiently and independently. It must be acknowledged that firms do not operate in the best of all possible business environments--and that there are stiff competitions for them to face and *tight corners* for them to come out of. They strive to use best knowledge of the circumstances. Firms utilize experience, intuition and evidences to make decisions in an instant. Such decisions symbolize their competency levels in handling uncertainties. Decision-making in essence is a cognitive process which demands information processing to make rational decisions (****). The rationality of such decisions also depends on the availability of alternative choices and options and the ability of the managers in processing information (****). Most business organizations are also adept to handle situations and face surprises. Good management practice, be it in any discipline, dictates first "what not to do" in such situations (**Davila, Epstein, & Shelton 2006**). It also directs

how to search for alternative strategies when conventional stratagems fail to deliver.

On the other hand, one cannot undervalue the need for planning in production (**Gelders & Wassenhove 1981**) since planning forms an integral part of management operation. In this respect, communication plays a significant role in management operations for the reason that efficient mode of communication between employees and the management team enhances team performance and knowledge worker's productivity (**Ridder, 2004; Ahmed et al, 2010; Bosch-Sijtsema, Ruohomäki, & Vartiainen, 2009**). It must be kept in mind that communication is also a skill; in a fast paced dynamic business environment, communication skills provide an added advantage in successful innovation processes (**Kessels, Verdonschot, De Jong, 2011**). Communicating the problems efficiently to the management saves time and resources for the organization. Problems or bottlenecks may arise during business operations which call for prompt solutions. Such problems must be communicated quickly to the management for seeking immediate remedial actions, whereas communication practices support decision-making by exchange of expert advices which is invaluable. In essence, communication constitutes one of the keystones of planning, marketing and sales strategies (**Ajzen, 1991**). New ideas ought to be communicated among the team members and understood so as to determine their utility, validity and outcomes. It is also essential to oversee that there remains enough opportunities for communication between the employees and the management. Two-way communication: top-down and bottom-up are both essential endogenous variables of high organizational performance. The role of informal communication within organizations cannot be overlooked either (**Whittaker, Frohlich, & Daly-Jones, 1994**). Good communication practices in

organizations support learning and exchange of information (Ridder, 2004; Worley, & Doolen, 2006; Kinicki, Jacobson, Peterson, & Prussia, 2013). Large and medium size business organizations support their employees by adequately training them for skill development. Skill is an important factor of competency. It is agreeable that organizations strive for better performance and work efficiency; therefore, learning must be one of the most vital aspects of business performance for the reason that in today's knowledge economy, one must keep learning to survive and fight the competition with cutting age business strategies.

3. RESEARCH GOAL AND OBJECTIVES

History bears the chronology of the continuous struggle for identity which the pioneers of inventions and innovations have left behind them as perfect examples of becoming the 'masters' of their trade or professions. Human zeal for surpassing and overcoming past achievements by setting new records are abound. Courageous pioneers have struggled to triumph over various barriers to conquer land, sea and the skies. To cite one example, let us recall Henry Farman—who flew his *Voisin Biplane* at a record speed of 32.73 m.p.h back in 1907 only to be beaten by the French pilot Tissandier in 1909 who created a new record of flying at 34.04 m.p.h—and thus the race for supremacy begun. The need for speed have had pioneered new inventions and innovations in the aviation industry which has reduced the travel time by breaking continental barriers and thus making human communication far faster and comfortable with the progress of time. Innovations in the automobile industry and the railroad have had as many pioneers too. However, the Information Technology (IT) revolution has been the most dramatic of all.

The goal of this research is to analyze and understand how effectively organizations utilize the power of communication for conducting their business operations. Organizations not only face competitions, but they also encounter uncertainties. Communication conveys necessary information about market competition and prepares the management to face uncertainties. It is the duty of the management team to strive hard to employ resources carefully, and struggle enough to allocate them prudently for production function. Performing efficiently in highly competitive environments require one to make optimal decisions. To make optimal decisions, managers must be well informed about the management processes, the markets and choices and options available at their disposal. Information plays a critical role in business decision making. Managers are well trained and adapted in making decisions optimally with prudence so as to control their operating environments best suited for the particular business. Our approach employs simple endogenous and exogenous variable of performance to model the working scenario of communication practices in a business organization.

4. ROLE OF COMMUNICATION IN ORGANIZATIONAL OPERATIONS

Communication process plays a central role in making organizations become successful. The more transparent and open the communication process is the easier and effective it becomes to manage people and processes efficiently in organizations. In today's knowledge economy, communication becomes effective when the channels by which we communicate remain clear and patent. Communication being the most vital aspect of human behaviour is a necessary process to convey messages which involves a sender and a receiver. It requires an unimpeded channel to communicate and

transmit messages. Any obstruction may impede the flow of information which might thus affect the whole communication process (**Ellis 1993**). The importance of communication has been acknowledged by great many experts of all times since by means of communication, ideas are exchanged. The role of communication is also much relevant while working under pressure. We define how communication plays a critical role for those who work under pressure.

When working under pressure, employees attempt to do the maximum within a minimum amount of time. This is Information in this scenario plays a significant role because the one who excels in working under pressure uses rational judgements based on analytic acumen. Stress forces one to perform job tasks more actively and it is where that experience matters most. The more experienced is the one who is more knowledgeable of working under different but analogous situations under stress which enables that person to handle pressure more efficiently. The employee in such a scenario may be in constant need of information which would further help to facilitate that person to complete the task when time and resources are short (**Dasgupta, Suar, & Singh, 2012**). This mandates open communication channels for seeking advice and help from the top management if such need arises (**Dasgupta, Suar, & Singh, 2012**). To be noted, a management team is generally expected to be more of a help rather than hindrance.

5. MODEL AND METHODOLOGY

In our model, we include several endogenous variables of interest which would likely affect the outcome of our study. This model is based on information-communication model while the approach underlying this however, rests on the modification of Elis information model (**Ellis 1993**). The endogenous

variables used to develop the model include: performance factor (α), past year's annual profit (ρ), this year's annual profit (τ), past year's share price (κ_t), this year's share price at the yearend (λ_{t+1}), manager's experience in years (μ_t), manager's education in years (v_t), ratio of number of projects received (v): number of projects completed in due time (η). The equation that we design depicts a functional model of efficiency,

$$a = \left(1 - \frac{\rho}{\tau}\right) \left(\frac{\kappa_t}{\lambda_{t+1}}\right) + (\mu_t + v_t) + \left(1 - \frac{v}{\eta}\right) \text{ eq. 1}$$

Solving the equation by putting appropriate values, we, derive,

$$v_t = a - \mu_t - \frac{\left(\frac{-\rho}{\tau} + 1\right)\kappa_t}{\lambda_{t+1}} + \frac{v}{\eta} - 1 \text{ eq. 2}$$

Wherein, annual profit $\tau \neq 0$, and current share price may be negative (-1) which means that current share price could be less than that of the previous year's value. Projects completed in time may be $\eta = 0$ which is because that there may be no new projects received or renewed. The most important factor which is the determinant of efficiency of performance is the ratio of relative profit: ratio of relative number of projects completed. This pertains to the fact that how efficiently information is conveyed within the organization and between the clients and the firm. The success rate would definitely define the efficiency of the communication process practiced in the organization characterized by unimpeded operations.

6. RESULTS

The model depicts a unit of a functional organization. The successful operation and efficient management of the organization depends upon several factors of proficiency which have been included in the model of performance. The ratios computed provide

the relative values of projects completed in due time and the current market value of the organization with respect to previous years. These are important parameters of operational success of a firm. Business organizations create value and trust. Some organizations are admired and cherished by their customers owing to the organizations' performance metrics, customer commitment, and value addition. A good, dedicated, and efficient management strives for superior performance. They are responsible for making every decision count for they stand determined to put in great effort to oversee employee performance, handle constraints and bottlenecks, and solve emerging problems. Good managers learn to handle situations and know how to come out of *tight corners*.

7. DISCUSSION

Today, in corporate organizations, work efficiency is closely tied to learning, effective communication and skill development. In this paper, we devised a model to understand the effect of communication on learning and work efficiency. The model assumes several variables whose values could be computed as the ratio of several factors which are essential measures of organizational efficiency.

In a hard paced dynamic world of business and trade, organizations strive rigidly to compete with other organizations with a mission to perform proficiently and optimally so as to survive the harsh competitive environments. This is more customary in the ICT and manufacturing sectors where firms are often in tough situations fighting for niche space in their respective business frontiers. They are too often confronted with constraints and bottlenecks in their daily operations. Learning and skill development are thus essential components of organizational operations that enable employees to

learn to handle tough situations and fight their way out of tight corners. However, learning is possible when the internal environment of the organization is conducive and there remain patent channels for information to flow between various levels of the workforce and the management. Workforce communication is a critical aspect of inter-organization information network which allows communication and exchange of ideas between various levels of the workforce. Workforce communication is also important for maintaining and understanding TQM (total quality management) that allows active involvement of employees in TQM. Such active involvement of employees allows direct perception of the TQM processes and information exchange regarding the same between the management and the employees (**Meirovich, Galante and Maymon 2006**).

Every project undertaken in organizations are important, and some of them are vitally so. The responsibility of the management is to ensure that the job is done; i.e., that the projects that have been undertaken get completed in due time, and hence so motivates the employees to boost their performances in meeting company objectives while achieving organizational goals. The management puts in stout efforts to stop at nothing but to make it a success which reinforces organizational value and contributes immensely to customer satisfaction. It is to be acknowledged that organizations utilize knowledge and expertise to enhance their performance levels while at the same time they are learning by doing, and working themselves up for achieving targets by accomplishing organizational goals. In such dynamically paced environments, firms make optimal decisions on resource allocation for production function as well as to spare such for need and necessity. Firms perform in highly competitive

business environments. They engage human resources and compete on knowledge capital. Firms strive to train their employees to make them meet their organizational objectives. Competition often puts them in tight corners. Competition calls for best performance—it engages firms in battle of strategies to compete with confidence in highly competitive business environments. This whole dynamicity induces gradual changes in organizational culture and it requires exchange and flow of information across the organization. Communication plays a significant role in enabling such exchange of information for organizational change (**Elving, 2005**). The idea is to innovate continuously and bring out innovative products at a competitive price; i.e., get something on cheap for the customers. Innovation requires new knowledge. Knowledge comes from learning. Companies devise novel strategies using expert knowledge since experts generally have a better sense of direction. Experts also guide and coach the incumbent employees who are raw and often inexperienced.

8. CONCLUSION

In concluding this research, we state that communication definitely plays an important role in mediating and moderating organizational performance. It is by communication among the employees that information gets shared across the organization. The research points to the fact which stresses on the important role of communication in organizational learning, innovation, and performance enhancement. The final point is that, to come out of tight corners, one must communicate with others about the problem being faced if one fails to find any viable solutions at hand.

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